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Kuwait

Chicken meat is gaining popularity over red meats in Kuwait because of increased consumer health awareness and because of price. The BSE scare in Europe and the ecological problems Kuwait's seafood industry faces helped shift consumption toward poultry meat at the expense of red meats and seafood. In addition, the presence of coalition troops in Kuwait and nearby Iraq since early 2003 are also driving demand for poultry meat.

Previously, Kuwaiti poultry meat re-exports were insignificant, always less than 1,000 metric tons (MT) per annum. However, since the Iraqi liberation by coalition forces, several Kuwaiti firms are now supplying the Iraqi market. An estimated 2,000-3,000 MT of frozen poultry meat, particularly whole chickens and leg quarters are expected to be re-exported to Iraq during 2003. Since early 2003, demand for U.S. chicken parts increased substantially due to the large number of coalition troops stationed in Kuwait and nearby Iraq. This trend is expected to continue and probably increase in 2004, if peaceful conditions prevail in Iraq. However, the troop level has stabilized, thus demand from this segment is not expected to expand. In 2004, the United States is expected to supply about 2,000-3,000 MT of boned chicken parts, including leg quarters. The U.S. leg quarters will primarily be re-exported to Iraq.

Expatriates, particularly those in the lower income bracket (i.e. laborers), prefer the cheaper imported frozen whole chicken. Specifically, they prefer the smaller-sized (900 1,100 grams), white-skinned, individually wrapped frozen chicken. Brazilian, Saudi Arabian and European chickens are more popular than U.S. chickens because they meet these market requirements better and the perception in Kuwait that Brazilian producers adhere more to correct Islamic Halal slaughter practices. Brazil and European brands are also aggressive in marketing and more price competitive than the U.S. In the absence of an EEP program, U.S. whole chicken prices would are not competitive with imports from Brazil, France and Denmark.

Brazil and the U.S. share the bone-in chicken parts market, estimated at about 8,000 metric tons annually. Brazil is gaining market share by addressing consumer requirements for smaller parts packed in attractive retail trays. Brazil's share of the chicken parts market now stands at 65 percent, compared to 35 percent (or about 2,500-3,000 MT) for the United States.

Turkey imports, mainly from the U.S. and, to a lesser degree from France and Brazil, are steady at 150 MT annually. Turkey consumption is seasonal and concentrated mostly during the November-December holiday season. Duck imports, mainly from the U.S., France and Canada, are estimated at 80 tons annually. Cornish hens, exclusively imported from the U.S., are estimated at 10-15 MT.

Source: Foreign Agricultural Service/USDA

Australia

Australia's egg producers have been hit with a double whammy – a drought and new layer hen housing standards that were passed in 2000 and are taking effect now. The new layer hen housing standards, amongst other things, require space in cages for birds of 550 sq cm each, new sloping floors in poultry houses and fold down doors for the front of the cages.

Some organizations have said that up to 85 percent of South Australia's producers could be forced out of the market because of the additional costs. In order to prevent farmers from exiting the market place, up to 25-50 cents needs to be added to a dozen eggs.

Various news sources

South Africa

South Africa produced about 760,000 tons of broiler meat, excluding offal, in 2002, up from 730,000 tons in 2001. Expectations are that 2003 production will reach about 790,000 tons. The industry is thus still showing healthy growth in spite of a lackluster economy. Poultry meat imports amounted to 24,000 tons in 2002, up from 17,000 tons in 2001. Total poultry product imports amounted to more than 80,000 tons of which 70% consisted of offal (mainly feet) and Mechanically Removed Meat (MRM). Brazil supplied more than 56% of total imports. The U.S. exported 1,245 metric tons in 2001 and 2,052 metric tons of various chicken items to South Africa.

In July 2000 a provisional payment in relation to an anti-dumping duty was instituted against US poultry products. The duty on tariff # 0207.1490 bone-in cuts amounted to R2.24/kg. on products from Tyson Foods, R2.45 c/kg. on products from Gold Kist Inc. and R7.25/kg. on products from other manufacturers. This was promulgated in December 2000 and is still applicable.

In June 2003 the South African poultry producers launched another anti-dumping application. The request is for an increase in the duty on whole birds (0207.12) from 27% ro 40% and on bone-in chicken portions (0207.1490) from R2.20 to R4.40/kg. In addition, a new duty on offal (0207.1420) of R2.20/kg. is requested. The duty application is for product from all sources and not only the US. The application is still being investigated by the new International Trade Administration Commission (ITAC), which replaced the former Board on Tariffs and Trade (BTT).

Although turkey product imports are allowed in duty free, imports are also small and consist mainly of mechanically removed meat. Only about 1,000 tons of whole birds were imported in 2002 of which Brazil supplied 920 tons. The U.S. exported to South Africa 1,211 metric tons turkey meat in 2001 (8% of total turkey meat imports) and 1,761 metric tons in 2002 (13% of total turkey meat imports). Brazil had 43% of the total in 2001 and 40% of the total in 2002.

Source Foreign Agricultural Service/USDa

Inspected Egg Products-U.S. & Canada Export/Import Trade

U.S. Exports to Canada, in Pounds (000) (Preliminary)

Week Ending September 06, 2003	2003	2002/1	Year-To-Date 2003	2002
Liquid	257	560	11,435	13,475
Frozen	0	0	96	21
Dried	23	0	393	543
Total	280	560	11,924	14,039

U.S. Imports From Canada, in Pounds (000) (Preliminary)

Week Ending September 06, 2003	2003	2002/1	Year-To-Date 2003	2002
Liquid	105	66	4,124	4,634
Frozen	76	88	2,243	2,511
Dried	40	127	944	3,671
Total	221	281	7,311	10,816

Inspected Shell Eggs

U.S Exports To Canada, In 30-Dozen Cases (Preliminary)

Week Ending September 06, 2003	2003	2002 /1	Year-To-Date 2003	2002
Jumbo	0	0	290	1,224
Extra Large	360	1,730	19,137	24,560
Large	2,350	2,478	75,575	97,721
Medium	240	510	44,213	35,935
Ungraded	7,140	8,210	92,516	204,835
Misc	780	0	13,062	12,912
Total	10,870	12,928	244,793	377,187

Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

LIVE POULTRY SLTRD UNDER INSPECTION W/E 06-Sep-03

(PRELIMINARY)

U.S. FOWL SLAUGHTERED DOMESTICALLY

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	980	1,378	2,358
LAST WEEK	1,229	1,556	2,785
SAME WEEK YR AGO	1,156	1,084	2,240
TO-DATE/2003	54,153	50,032	104,185
TO-DATE/2002	63,046	49,562	112,608

U.S. FOWL SLAUGHTERED IN CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
	THOUSANDS		
HEAD	103	0	103
LAST WEEK	78	0	78
SAME WEEK YR AGO	257	8	265
TO-DATE/2003	8,570	122	8,692
TO-DATE/2002	11,143	237	11,380

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA

	LIGHT HENS	HEAVY HENS	TOTAL HENS
HEAD	1,083	1,378	2,461
LAST WEEK	1,307	1,556	2,863
SAME WEEK YR AGO	1,413	1,092	2,505
TO-DATE/2003	62,723	50,154	112,877
TO-DATE/2002	74,189	49,799	123,988

SOURCE: USDA/AMS PLTRY PROGRAMS, MARKET NEWS BR.

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

12-SEP-2003

CHICKEN —— PRICES (Cents per Pound) ———— VOLUME ——

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED —— PRICES (Cents per Pound) ———— VOLUME ——

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	18.00	40,000	-
WTD AVERAGE		18.00		
15-20%				
RANGE	14.00-21.50	10.75-17.00	2,453,520	1,280,800
WTD AVERAGE	18.77	13.75		
20% OR MORE				
RANGE	-	-	-	-
WTD AVERAGE				

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

12-SEP-2003

CHICKEN —— PRICES (Cents per Pound) ———— VOLUME ——

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED —— PRICES (Cents per Pound) ———— VOLUME ——

FAT CONTENT	FROZEN	FRESH	TOTAL	EXPORT
15% OR LESS				
RANGE	16.25-21.00	17.00	992,000	772,000
WTD AVERAGE	19.45	17.00		
15-20%				
RANGE	16.50-17.00	11.00-16.00	2,215,800	416,000
WTD AVERAGE	16.84	12.75		
20% OR MORE				
RANGE	-	11.00	41,000	-
WTD AVERAGE		11.00		

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 12 SEPTEMBER 2003.

The undertone on white meat was steady to fully steady. Demand fair to good. Fresh white meat offerings ranged short to instances adequate, frozen light at best from new production. The undertone on tom bulk parts was steady to firm. Demand fair to good. Offerings of tom drums and wings were light at best and held with confidence. A few industry members noted tom necks were harder to find and held with more confidence. The undertone on 4-8 lb. breasts was steady to fully steady with spot loads of plant grades noted at higher prices. Trading centered on a fair volume of fresh Mechanically separated turkey for domestic shipments, balance light. For domestic (fresh): wing meat 48-56, scapula 60-76 cents delivered. For export: fresh tom drums 33, hen necks 18 cents delivered. Open priced fresh tom drums sold for September-October export shipments.

FRIDAY, SEPTEMBER 12, 2003

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	36.00-38.00		36.88	172	35.80	952
WINGS FULL-CUT - TOMS		W	27.00	104	27.00	104
WINGS, V-TYPE, TOM						
TAILS						
MECHANICALLY SEPARATED 2/		T	27.50	104	27.50	104
THIGH MEAT - FROZEN	88.00		88.00	60	86.82	220

THURSDAY, SEPTEMBER 11, 2003

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	35.50-36.50		36.25	160
WINGS FULL-CUT - TOMS		W	27.00	104
WINGS, V-TYPE, TOM		R	31.50	208
TAILS				
MECHANICALLY SEPARATED 2/		T	27.50	104
THIGH MEAT - FROZEN		W	85.00	40

WEDNESDAY, SEPTEMBER 10, 2003

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	36.00		36.00	120
WINGS FULL-CUT - TOMS	27.00		27.00	104
WINGS, V-TYPE, TOM		R	31.50	208
TAILS				
MECHANICALLY SEPARATED 2/		T	27.50	104
THIGH MEAT - FROZEN	85.00		85.00	40

TUESDAY, SEPTEMBER 09, 2003

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	33.00-36.00		35.22	460
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		R	31.50	208
TAILS		T	21.00	28
MECHANICALLY SEPARATED 2/	27.50		27.50	104
THIGH MEAT - FROZEN	88.50		88.50	40

MONDAY, SEPTEMBER 08, 2003

EXPORT TRADING	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	35.50		35.50	40
WINGS FULL-CUT - TOMS				
WINGS, V-TYPE, TOM		R	31.50	208
TAILS		T	21.00	28
MECHANICALLY SEPARATED 2/		F	26.00	104
THIGH MEAT - FROZEN	86.00		86.00	80

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY
2/ Product contains 15-20% fat with skin added.